

PROVIDING FOR THE CONSIDERATION OF H.R. 417,
BIPARTISAN CAMPAIGN FINANCE REFORM ACT OF 1999

SEPTEMBER 8, 1999.—Referred to the House Calendar and ordered to be printed

Mr. DREIER, from the Committee on Rules,
submitted the following

REPORT

[To accompany H. Res. 283]

The Committee on Rules, having had under consideration House Resolution 283, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF RESOLUTION

On August 5, 1999, the Committee on Rules reported favorably by voice vote the resolution accompanying this report. The resolution provides for the consideration of H.R. 417, the “Bipartisan Campaign Finance Reform Act of 1999,” under a structured rule. The rule provides one hour of general debate divided equally between the chairman and ranking minority member of the Committee on House Administration.

The rule makes in order only those amendments printed in this report. The rule provides that amendments made in order may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. The rule also waives all points of order against the amendments printed in this report except that the adoption of an amendment in the nature of a substitute shall constitute the conclusion of consideration of the bill for amendment.

The rule permits the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce voting time to five minutes on a postponed question if the vote follows a fifteen minute vote. Finally, the rule provides one motion to recommit with or without instructions.

SUMMARY OF AMENDMENTS MADE IN ORDER UNDER THE RULE

Whitfield: Increases the individual contribution limit from \$1,000 to \$3,000. (10 minutes)

Whitfield: Increases the aggregate annual individual contribution level from \$30,000 to \$75,000. (10 minutes)

Doolittle: Exempts voter guides from the “express advocacy” as defined by the bill. (10 minutes)

Bereuter/Wicker: Prohibits foreign individual campaign contributions. (10 minutes)

Faleomavaega: Clarifies the right of Nationals of the United States to make political contributions. (10 minutes)

Goodling: Strikes Section 501 of the bill as reported which does not correctly implement the Supreme Court’s 1988 Beck Decision, or adequately protect working Americans from having dues money taken from their paychecks without their permission, and inserts the language of H.R. 2434, the “Worker Paycheck Fairness Act”. (10 minutes)

Shaw/Calvert/Gallegly: Requires that candidates running for the Senate or House of Representatives must accept no less than 50 percent of the total contributions accepted from in-state individuals. (10 minutes)

Sweeney: Requires the principal campaign committee of candidates for election to federal office that use government vehicles for campaign purposes to reimburse in full the federal government for costs associated with providing transportation; and prohibits other campaign committees from making such reimbursements on another candidate’s behalf. (10 minutes)

DeLay: Exempts regulations in the bill from applying to Internet communication. (10 minutes)

Ewing: Strikes Section 1601 and replaces it with a non-severability clause that if any provision of H.R. 417 is declared invalid then the entire Act shall be treated as invalid. (10 minutes)

Doolittle: Amendment in the nature of a substitute. Repeals limits on how much individuals and political action committees may contribute to candidates or parties; repeals limits on how much parties can contribute to candidates; terminates taxpayer financing of presidential election campaigns; requires political parties to distinguish between federal and non-federal funds; requires each state party to file with the FEC a copy of the same disclosure form as filed with the state; requires electronic filing of campaign reports; requires reports to be filed every 24 hours during the first 3 months preceding an election; requires the FEC to post all campaign reports on the Internet and bars acceptance of campaign contributions unless specific disclosure requirements are met. (40 minutes)

Hutchinson/Brady/Moran(KS)/Hill: Amendment in the nature of a substitute. Prohibits national political parties from accepting soft money, raising it on behalf of state parties, or directing it to state parties. Federal office holders are prohibited from raising soft money on behalf of state parties; however, they may attend state political party fundraisers in their home state. Interstate transfers of soft money are prohibited; individual contribution limit to parties is increased from \$20,000 to \$25,000 a year and is allowed in

addition to an aggregate contribution limit of \$25,000 a year to non-party political committees; removes party/candidate coordination limits; increases PAC contributions to the parties from \$15,000 to \$20,000 a year; indexes all contribution limits to inflation; requires electronic filing with the FEC once a candidate raises \$50,000; requires monthly FEC filings for political committees during election years; requires the reporting of a donor's occupation and employer for all donations over \$200; and requires third party groups who spend \$25,000 in a single district or \$100,000 nationally on television or radio advertisements that bear the name or likeness of a candidate to report to the Clerk of the House or the Secretary of the Senate the amount spent, the name of the group, the name of the principal officer, and the organization's address and phone number. (40 minutes)

Thomas: Amendment in the nature of a substitute. Extends ban on foreign contributions to all campaign related disbursements including soft money contributions to State parties and candidates; requires PAC funds to come from U.S. sources and protects the rights of all eligible voters to participate equally in PACs; requires electronic filing of contributions by committees raising or spending over \$50,000 which must be posted on the Internet within 24 hours; within 90 days of an election, requires electronic reporting within 24 hours for contributions of \$200 or more; requires committees to report secondary payments by major subcontributors; requires disclosure to the FEC of transfers of funds by national parties and information reported by State and local parties under state laws; bans acceptance of cash contributions over \$100; requires committees to return illegal contributions they have held for more than 90 days to the FEC for holding in an escrow account; establishes procedures for written responses to questions on election law by FEC; changes FEC standards for initiation of actions for "reason to believe" to "reason to seek additional information"; gives signature authority to any Commissioner for documents or subpoenas authorized by the Commission (currently on Chair or Vice-Chair can sign); broadens prohibition against PACs using force and reprisals to obtain contributions; changes reporting from a calendar year basis to an election cycle basis; treats lines of credit obtained by candidates as commercially reasonable loans (example: credit card advances, home equity loans). (40 minutes)

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WHITFIELD OF KENTUCKY, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 12, insert after line 8 the following:

(c) INCREASE IN INDIVIDUAL CONTRIBUTION LIMIT.—Section 315(a)(1)(A) of such Act (2 U.S.C. 441a(a)(1)(A)) is amended by striking "\$1,000" and inserting "\$3,000".

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WHITFIELD OF KENTUCKY, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 12, line 8, strike "\$30,000" and insert "\$75,000".

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE DOOLITTLE OF CALIFORNIA, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 16, strike line 5 and all that follows through page 17, line 17 and insert the following:

“(B) NONAPPLICATION TO PUBLICATIONS ON VOTING RECORDS.—The term ‘express advocacy’ shall not apply with respect to any communication which is in printed form or posted on the Internet and which provides information or commentary on the voting record of, or positions on issues taken by, any individual holding Federal office or any candidate for election for Federal office, unless the communication contains explicit words expressly urging a vote for or against any identified candidate or political party.”.

4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BEREUTER OF NEBRASKA, OR REPRESENTATIVE WICKER OF MISSISSIPPI, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 54, insert after line 22 the following:

(c) PROHIBITION APPLICABLE TO ALL INDIVIDUALS WHO ARE NOT CITIZENS OR NATIONALS OF THE UNITED STATES.—Section 319(b)(2) of such Act (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following; “, or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).”.

5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE FALEOMAVAEGA OF AMERICAN SAMOA, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 517. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(d)(2)), as amended by sections 506(b) and 511(a), is further amended by inserting after “United States” the following: “or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)”.

6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE GOODLING OF PENNSYLVANIA, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Strike section 501 and insert the following (and conform the table of contents accordingly):

SEC. 501. WORKER PAYCHECK FAIRNESS.

(a) FINDINGS.—The Congress finds the following:

(1) Workers who pay dues or fees to a labor organization may not, as a matter of law, be required to pay to that organization any dues or fees supporting activities that are not nec-

essary to performing the duties of the exclusive representative of the employees in dealing with the employer on labor-management issues.

(2) Many labor organizations use portions of the dues or fees they collect from the workers they represent for activities that are not necessary to performing the duties of the exclusive representative of the employees in dealing with the employer on labor-management issues. These dues may be used to support political, social, or charitable causes or many other noncollective bargaining activities. Unfortunately, many workers who pay such dues or fees have insufficient information both about their rights regarding the payment of dues or fees to a labor organization and about how labor organizations spend employee dues or fees.

(3) It is a fundamental tenet of this Nation that all men and women have a right to make individual and informed choices about the political, social, or charitable causes they support, and the law should protect that right to the greatest extent possible.

(b) PURPOSE.—The purpose of this section is to ensure that all workers have sufficient information about their rights regarding the payment of dues or fees to labor organizations and the uses of employee dues and fees by labor organizations and that the right of all workers to make individual and informed choices about the political, social, or charitable causes they support is protected to the greatest extent possible.

(c) WRITTEN CONSENT.—

(1) IN GENERAL.—

(A) AUTHORIZATION.—A labor organization accepting payment of any dues or fees from an employee as a condition of employment pursuant to an agreement authorized by Federal law must secure from each employee prior, voluntary, written authorization for any portion of such dues or fees which will be used for activities not necessary to performing the duties of the exclusive representative of the employees in dealing with the employer on labor-management issues.

(B) REQUIREMENTS.—Such written authorization shall clearly state that an employee may not be required to provide such authorization and that if such authorization is provided, the employee agrees to allow any dues or fees paid to the labor organization to be used for activities which are not necessary to performing the duties of exclusive representation and which may be political, social, or charitable in nature.

(2) REVOCATION.—An authorization described in paragraph (1) shall remain in effect until revoked. Such revocation shall be effective upon 30 days written notice.

(3) CIVIL ACTION BY EMPLOYEES.—

(A) LIABILITY.—Any labor organization which violates this subsection or subsection (f) shall be liable to the affected employee—

(i) for damages equal to—

(I) the amount of the dues or fees accepted in violation of this section;

(II) the interest on the amount described in subclause (I) calculated at the prevailing rate; and

(III) an additional amount as liquidated damages equal to the sum of the amount described in subclause (I) and the interest described in subclause (II); and

(ii) for such equitable relief as may be appropriate.

(B) RIGHT OF ACTION.—An action to recover the damages or equitable relief prescribed in subparagraph (A) may be maintained against any labor organization in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of—

(i) the employees; or

(ii) the employees and other employees similarly situated.

(C) FEES AND COSTS.—The court in such action shall, in addition to any judgment awarded to the plaintiff, allow a reasonable attorney's fee, reasonable expert witness fees, and other costs of the action to be paid by the defendant.

(D) LIMITATION.—An action may be brought under this paragraph not later than 2 years after the date the employee knew or should have known that dues or fees were accepted or spent by a labor organization in violation of this section, except that such period shall be extended to 3 years in the case of a willful violation.

(d) NOTICE.—An employer whose employees are represented by a collective bargaining representative shall be required to post a notice, of such size and in such form as the Department of Labor shall prescribe, in conspicuous places in and about its plants and offices, including all places where notices to employees are customarily posted, informing employees that any labor organization accepting payment of any dues or fees from an employee as a condition of employment pursuant to an agreement authorized by Federal law must secure from each employee prior, written authorization if any portion of such dues or fees will be used for activities not necessary to performing the duties of the exclusive representative of the employees in dealing with the employer on labor-management issues.

(e) DISCLOSURE TO WORKERS.—

(1) EXPENSES REPORTING.—Section 201(b) of the Labor-Management Reporting and Disclosure Act of 1959 is amended by adding at the end the following new sentence: "Every labor organization shall be required to attribute and report expenses in such detail as necessary to allow members to determine whether such expenses were necessary to performing the duties of the exclusive representative of the employees in dealing with the employer on labor-management issues."

(2) DISCLOSURE.—Section 201(c) of the Labor-Management Reporting and Disclosure Act of 1959 is amended—

(A) by inserting "and employees required to pay any dues or fees to such organization" after "members"; and

(B) inserting “or employee required to pay any dues or fees to such organization” after “member” each place it appears.

(3) WRITTEN REQUESTS.—Section 205(b) of the Labor-Management Reporting and Disclosure Act of 1959 is amended by adding at the end the following new sentence: “Upon written request, the Secretary shall make available complete copies of any report or other document filed pursuant to section 201.”.

(f) RETALIATION AND COERCION PROHIBITED.—It shall be unlawful for any labor organization to coerce, intimidate, threaten, interfere with, or retaliate against any employee in the exercise of, or on account of having exercised, any right granted or protected by this section.

(g) REGULATIONS.—The Secretary of Labor shall prescribe such regulations as are necessary to carry out subsection (d) not later than 60 days after the enactment of this Act and shall prescribe such regulations as are necessary to carry out the amendments made by subsection (e) not later than 120 days after the enactment of this Act.

(h) EFFECTIVE DATE AND APPLICATION.—This section shall be effective immediately upon enactment, except that subsections (c) and (d) pertaining to worker consent and notice shall take effect 90 days after enactment and subsection (e) pertaining to disclosure shall take effect 150 days after enactment.

7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAW OF FLORIDA, OR REPRESENTATIVE CALVERT OF CALIFORNIA, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 517. REQUIRING MAJORITY OF AMOUNT OF CONTRIBUTIONS ACCEPTED BY CONGRESSIONAL CANDIDATES TO COME FROM IN-STATE RESIDENTS.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

“(i)(1) The total amount of contributions accepted with respect to an election by a candidate for the office of Senator or the office of Representative in, or Delegate or Resident Commissioner to, the Congress from in-State individual residents shall be at least 50 percent of the total amount of contributions accepted from all sources.

“(2) If a candidate in an election makes expenditures of personal funds (including contributions by the candidate or the candidate’s spouse to the candidate’s authorized campaign committee) in an amount in excess of \$250,000, paragraph (1) shall not apply with respect to any opponent of the candidate in the election.

“(3) In determining the amount of contributions accepted by a candidate for purposes of paragraph (1), the amounts of any contributions made by a political committee of a political party shall be allocated as follows:

“(A) 50 percent of such amounts shall be deemed to be contributions from in-State individual residents.

“(B) 50 percent of such amounts shall be deemed to be contributions from persons other than in-State individual residents.

“(4) As used in this subsection, the term ‘in-State individual resident’ means an individual who resides in the State in which the election involved is held.”.

(b) REPORTING REQUIREMENTS.—Section 304 of such Act (2 U.S.C. 434), as amended by sections 103(c), 204, and 307, is further amended by adding at the end the following new subsection:

“(h)(1) Each principal campaign committee of a candidate for the Senate or the House of Representatives shall include the following information in the first report filed under subsection (a)(2) which covers the period which begins 19 days before an election and ends 20 days after the election:

“(A) The total contributions received by the committee with respect to the election involved from in-State individual residents (as defined in section 315(i)(4)), as of the last day of the period covered by the report.

“(B) The total contributions received by the committee with respect to the election involved from all persons, as of the last day of the period covered by the report.

“(2)(A) Each principal campaign committee of a candidate for the Senate or the House of Representatives shall submit a notification to the Commission of the first expenditure of personal funds (including contributions by the candidate or the candidate’s spouse to the committee) by which the aggregate amount of personal funds expended (or contributed) with respect to the election exceeds \$250,000.

“(B) Each notification under subparagraph (A)—

“(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made; and

“(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved.”.

(c) PENALTY FOR VIOLATION OF LIMITS.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

“(4)(A) Any candidate who knowingly and willfully accepts contributions in excess of any limitation provided under section 315(i) shall be fined an amount equal to the greater of 200 percent of the amount accepted in excess of the applicable limitation or (if applicable) the amount provided in paragraph (1)(A).

“(B) Interest shall be assessed against any portion of a fine imposed under subparagraph (A) which remains unpaid after the expiration of the 30-day period which begins on the date the fine is imposed.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 2001.

Page 86, line 10, strike “(2 U.S.C. 437g(d)) is amended” and insert the following: “(2 U.S.C. 437g(d)), as amended by section 517(c), is further amended”.

Page 86, line 12, strike “(4)” and insert “(5)”.

8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SWEENEY
OF NEW YORK, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Amend the heading for title X to read as follows (and conform the table of contents accordingly):

**TITLE X—REIMBURSEMENT FOR USE
OF GOVERNMENT PROPERTY FOR
CAMPAIGN ACTIVITY**

Add at the end of title X the following new section (and conform the table of contents accordingly):

**SEC. 1002. REIMBURSEMENT FOR USE OF GOVERNMENT EQUIPMENT
FOR CAMPAIGN-RELATED TRAVEL.**

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 507, 510, 515, and 1001, is further amended by adding at the end the following new section:

“REIMBURSEMENT FOR USE OF GOVERNMENT EQUIPMENT FOR
CAMPAIGN-RELATED TRAVEL

“SEC. 329. If a candidate for election for Federal office (other than a candidate who holds Federal office) uses Federal government property as a means of transportation for purposes related (in whole or in part) to the campaign for election for such office, the principal campaign committee of the candidate shall reimburse the Federal government for the costs associated with providing the transportation.”.

9. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE DELAY OF
TEXAS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Insert after title XV the following new title (and redesignate the succeeding provisions and conform the table of contents accordingly):

**TITLE XVI—EXEMPTION OF INTERNET
ACTIVITIES FROM REGULATION**

**SEC. 1601. EXEMPTION OF INTERNET ACTIVITIES FROM REGULATION
UNDER FECA.**

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 507, 510, 515, 1001, and 1101, is further amended by adding at the end the following new section:

“EXEMPTION OF INTERNET ACTIVITIES

“SEC. 330. (a) IN GENERAL.—Except as provided in subsection (b), none of the limitations, prohibitions, or reporting requirements of

this Act shall apply to any activity carried out through the use of the Internet or to any information disseminated through the Internet.

“(b) EXCEPTION.—Subsection (a) shall not apply to the solicitation or receipt of contributions.

“(c) INTERNET DEFINED.—The term ‘Internet’ means the international computer network of both Federal and non-Federal interoperable packet-switched data networks.”.

10. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE EWING OF ILLINOIS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Strike section 1601 and insert the following (and conform the table of contents accordingly):

SEC. 1601. NONSEVERABILITY OF PROVISIONS.

If any provision of this Act or any amendment made by this Act, or the application thereof to any person or circumstance, is held invalid, the remaining provisions of this Act or any amendment made by this Act shall be treated as invalid.

In the heading for title XVI, strike “**SEVERABILITY**” and insert “**NONSEVERABILITY**” (and conform the table of contents accordingly).

11. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE DOOLITTLE OF CALIFORNIA, OR A DESIGNEE, DEBATABLE FOR 40 MINUTES

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Citizen Legislature and Political Freedom Act”.

SEC. 2. REMOVAL OF LIMITATIONS ON FEDERAL ELECTION CAMPAIGN CONTRIBUTIONS.

Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

“(9) The limitations established under this subsection shall not apply to contributions made during calendar years beginning after 2000.’’

SEC. 3. TERMINATION OF TAXPAYER FINANCING OF PRESIDENTIAL ELECTION CAMPAIGNS.

(a) TERMINATION OF DESIGNATION OF INCOME TAX PAYMENTS.—Section 6096 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(d) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 1999.”

(b) TERMINATION OF FUND AND ACCOUNT.—

(1) TERMINATION OF PRESIDENTIAL ELECTION CAMPAIGN FUND.—

(A) IN GENERAL.—Chapter 95 of subtitle H of such Code is amended by adding at the end the following new section:

“SEC. 9014. TERMINATION.

“The provisions of this chapter shall not apply with respect to any presidential election (or any presidential nominating convention) after December 31, 2000, or to any candidate in such an election.”

(B) TRANSFER OF EXCESS FUNDS TO GENERAL FUND.—Section 9006 of such Code is amended by adding at the end the following new subsection:

“(d) TRANSFER OF FUNDS REMAINING AFTER 1998.—The Secretary shall transfer all amounts in the fund after December 31, 2000, to the general fund of the Treasury.”

(2) TERMINATION OF ACCOUNT.—Chapter 96 of subtitle H of such Code is amended by adding at the end the following new section:

“SEC. 9043. TERMINATION.

“The provisions of this chapter shall not apply to any candidate with respect to any presidential election after December 31, 2000.”

(c) CLERICAL AMENDMENTS.—

(1) The table of sections for chapter 95 of subtitle H of such Code is amended by adding at the end the following new item:

“Sec. 9014. Termination.”

(2) The table of sections for chapter 96 of subtitle H of such Code is amended by adding at the end the following new item:

“Sec. 9043. Termination.”

SEC. 4. DISCLOSURE REQUIREMENTS FOR CERTAIN SOFT MONEY EXPENDITURES OF POLITICAL PARTIES.

(a) TRANSFERS OF FUNDS BY NATIONAL POLITICAL PARTIES.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

- (1) by striking “and” at the end of subparagraph (H);
- (2) by adding “and” at the end of subparagraph (I); and
- (3) by adding at the end the following new subparagraph:

“(J) in the case of a political committee of a national political party, all funds transferred to any political committee of a State or local political party, without regard to whether or not the funds are otherwise treated as contributions or expenditures under this title;”.

(b) DISCLOSURE BY STATE AND LOCAL POLITICAL PARTIES OF INFORMATION REPORTED UNDER STATE LAW.—Section 304 of such Act (2 U.S.C. 434) is amended by adding at the end the following new subsection:

“(d) If a political committee of a State or local political party is required under a State or local law, rule, or regulation to submit a report on its disbursements to an entity of the State or local government, the committee shall file a copy of the report with the Commission at the time it submits the report to such an entity.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 2001.

SEC. 5. PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS.

(a) MANDATORY ELECTRONIC FILING.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is

amended by striking “permit reports required by” and inserting “require reports under”.

(b) **REQUIRING REPORTS FOR ALL CONTRIBUTIONS MADE TO ANY POLITICAL COMMITTEE WITHIN 90 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 24 HOURS.**—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended to read as follows:

“(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution received by the committee during the period which begins on the 90th day before an election and ends at the time the polls close for such election. This notification shall be made within 24 hours (or, if earlier, by midnight of the day on which the contribution is deposited) after the receipt of such contribution and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the identification of the contributor, and the date of receipt and amount of the contribution.

“(B) The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.”.

(c) **INCREASING ELECTRONIC DISCLOSURE.**—Section 304 of such Act (2 U.S.C. 434(a)), as amended by section 4(b), is further amended by adding at the end the following new subsection:

“(e)(1) The Commission shall make the information contained in the reports submitted under this section available on the Internet and publicly available at the offices of the Commission as soon as practicable (but in no case later than 24 hours) after the information is received by the Commission.

“(2) In this subsection, the term ‘Internet’ means the international computer network of both Federal and non-Federal interoperable packet-switched data networks.”.

(d) **EFFECTIVE DATE.**—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 1, 2001.

SEC. 6. WAIVER OF “BEST EFFORTS” EXCEPTION FOR INFORMATION ON IDENTIFICATION OF CONTRIBUTORS.

(a) **IN GENERAL.**—Section 302(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(i)) is amended—

(1) by striking “(i) When the treasurer” and inserting “(i)(1)

Except as provided in paragraph (2), when the treasurer”; and

(2) by adding at the end the following new paragraph:

“(2) Paragraph (1) shall not apply with respect to information regarding the identification of any person who makes a contribution or contributions aggregating more than \$200 during a calendar year (as required to be provided under subsection (c)(3)).”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply with respect to persons making contributions for elections occurring after January 2001.

12. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE HUTCHINSON OF ARKANSAS, OR A DESIGNEE, DEBATABLE FOR 40 MINUTES

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Campaign Integrity Act of 1999”.

TITLE I—SOFT MONEY AND CONTRIBUTIONS AND EXPENDITURES OF POLITICAL PARTIES

SEC. 101. BAN ON SOFT MONEY OF NATIONAL POLITICAL PARTIES AND CANDIDATES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

“BAN ON USE OF SOFT MONEY BY NATIONAL POLITICAL PARTIES AND CANDIDATES

“SEC. 323. (a) NATIONAL PARTIES.—A national committee of a political party, including the national congressional campaign committees of a political party, and any officers or agents of such party committees, may not solicit, receive, or direct any contributions, donations, or transfers of funds, or spend any funds, which are not subject to the limitations, prohibitions, and reporting requirements of this Act. This subsection shall apply to any entity that is established, financed, maintained, or controlled (directly or indirectly) by, or acting on behalf of, a national committee of a political party, including the national congressional campaign committees of a political party, and any officers or agents of such party committees.

“(b) CANDIDATES.—

“(1) IN GENERAL.—No candidate for Federal office, individual holding Federal office, or any agent of such candidate or officeholder may solicit, receive, or direct—

“(A) any funds in connection with any Federal election unless such funds are subject to the limitations, prohibitions and reporting requirements of this Act;

“(B) any funds that are to be expended in connection with any election for other than a Federal office unless such funds are not in excess of the amounts permitted with respect to contributions to Federal candidates and political committees under section 315(a)(1) and (2), and are not from sources prohibited from making contributions by this Act with respect to elections for Federal office; or

“(C) any funds on behalf of any person which are not subject to the limitations, prohibitions, and reporting requirements of this Act if such funds are for the purpose of financing any activity on behalf of a candidate for election for Federal office or any communication which refers to a clearly identified candidate for election for Federal office.

“(2) EXCEPTION FOR CERTAIN ACTIVITIES.—Paragraph (1) shall not apply to—

“(A) the solicitation or receipt of funds by an individual who is a candidate for a non-Federal office if such activity is permitted under State law for such individual’s non-Federal campaign committee; or

“(B) the attendance by an individual who holds Federal office or is a candidate for election for Federal office at a fundraising event for a State or local committee of a political party of the State which the individual represents or seeks to represent as a Federal officeholder, if the event is held in such State.

“(c) PROHIBITING TRANSFERS OF NON-FEDERAL FUNDS BETWEEN STATE PARTIES.—A State committee of a political party may not transfer any funds to a State committee of a political party of another State unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

“(d) APPLICABILITY TO FUNDS FROM ALL SOURCES.—This section shall apply with respect to funds of any individual, corporation, labor organization, or other person.”.

SEC. 102. INCREASE IN AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS TO POLITICAL PARTIES.

(a) IN GENERAL.—The first sentence of section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking “in any calendar year” and inserting the following: “to political committees of political parties, or contributions aggregating more than \$25,000 to any other persons, in any calendar year”.

(b) CONFORMING AMENDMENT.—Section 315(a)(1)(B) of such Act (2 U.S.C. 441a(a)(1)(B)) is amended by striking “\$20,000” and inserting “\$25,000”.

SEC. 103. REPEAL OF LIMITATIONS ON AMOUNT OF COORDINATED EXPENDITURES BY POLITICAL PARTIES.

(a) IN GENERAL.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by striking paragraphs (2) and (3).

(b) CONFORMING AMENDMENTS.—Section 315(d)(1) of such Act (2 U.S.C. 441a(d)(1)) is amended—

(1) by striking “(d)(1)” and inserting “(d)”; and

(2) by striking “, subject to the limitations contained in paragraphs (2) and (3) of this subsection”.

SEC. 104. INCREASE IN LIMIT ON CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES TO NATIONAL POLITICAL PARTIES.

Section 315(a)(2)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)(B)) is amended by striking “\$15,000” and inserting “\$20,000”.

TITLE II—INDEXING CONTRIBUTION LIMITS

SEC. 201. INDEXING CONTRIBUTION LIMITS.

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended by adding at the end the following new paragraph:

“(3)(A) The amount of each limitation established under subsection (a) shall be adjusted as follows:

“(i) For calendar year 2001, each such amount shall be equal to the amount described in such subsection, increased (in a

compounded manner) by the percentage increase in the price index (as defined in subsection (c)(2)) for each of the years 1999 through 2000.

“(ii) For calendar year 2005 and each fourth subsequent year, each such amount shall be equal to the amount for the fourth previous year (as adjusted under this subparagraph), increased (in a compounded manner) by the percentage increase in the price index for each of the four previous years.

“(B) In the case of any amount adjusted under this subparagraph which is not a multiple of \$100, the amount shall be rounded to the nearest multiple of \$100.”.

TITLE III—EXPANDING DISCLOSURE OF CAMPAIGN FINANCE INFORMATION

SEC. 301. DISCLOSURE OF CERTAIN COMMUNICATIONS.

(a) IN GENERAL.—Any person who expends an aggregate amount of funds during a calendar year in excess of \$25,000 for communications described in subsection (b) relating to a single candidate for election for Federal office (or an aggregate amount of funds during a calendar year in excess of \$100,000 for all such communications relating to all such candidates) shall file a report describing the amount expended for such communications, together with the person’s address and phone number (or, if appropriate, the address and phone number of the person’s principal officer).

(b) COMMUNICATIONS DESCRIBED.—A communication described in this subsection is any communication which is broadcast to the general public through radio or television and which mentions or includes (by name, representation, or likeness) any candidate for election for Senator or for Representative in (or Delegate or Resident Commissioner to) the Congress, other than any communication which would be described in clause (i), (iii), or (v) of section 301(9)(B) of the Federal Election Campaign Act of 1971 if the payment were an expenditure under such section.

(c) DEADLINE FOR FILING.—A person shall file a report required under subsection (a) not later than 7 days after the person first expends the applicable amount of funds described in such subsection, except that in the case of a person who first expends such an amount within 10 days of an election, the report shall be filed not later than 24 hours after the person first expends such amount. For purposes of the previous sentence, the term “election” shall have the meaning given such term in section 301(1) of the Federal Election Campaign Act of 1971.

(d) PLACE OF SUBMISSION.—Reports required under subsection (a) shall be submitted—

(1) to the Clerk of the House of Representatives, in the case of a communication involving a candidate for election for Representative in (or Delegate or Resident Commissioner to) the Congress; and

(2) to the Secretary of the Senate, in the case of a communication involving a candidate for election for Senator.

(e) PENALTIES.—Whoever knowingly fails to—

(1) remedy a defective filing within 60 days after notice of such a defect by the Secretary of the Senate or the Clerk of the House of Representatives; or

(2) comply with any other provision of this section, shall, upon proof of such knowing violation by a preponderance of the evidence, be subject to a civil fine of not more than \$50,000, depending on the extent and gravity of the violation.

SEC. 302. REQUIRING MONTHLY FILING OF REPORTS.

(a) **PRINCIPAL CAMPAIGN COMMITTEES.**—Section 304(a)(2)(A)(iii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(2)(A)(iii)) is amended to read as follows:

“(iii) monthly reports, which shall be filed no later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of the year, a pre-general election report shall be filed in accordance with clause (i), a post-general election report shall be filed in accordance with clause (ii), and a year end report shall be filed no later than January 31 of the following calendar year.”.

(b) **OTHER POLITICAL COMMITTEES.**—Section 304(a)(4) of such Act (2 U.S.C. 434(a)(4)) is amended to read as follows:

“(4)(A) In a calendar year in which a regularly scheduled general election is held, all political committees other than authorized committees of a candidate shall file—

“(i) monthly reports, which shall be filed no later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of the year, a pre-general election report shall be filed in accordance with clause (ii), a post-general election report shall be filed in accordance with clause (iii), and a year end report shall be filed no later than January 31 of the following calendar year;

“(ii) a pre-election report, which shall be filed no later than the 12th day before (or posted by registered or certified mail no later than the 15th day before) any election in which the committee makes a contribution to or expenditure on behalf of a candidate in such election, and which shall be complete as of the 20th day before the election; and

“(iii) a post-general election report, which shall be filed no later than the 30th day after the general election and which shall be complete as of the 20th day after such general election.

“(B) In any other calendar year, all political committees other than authorized committees of a candidate shall file a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31 and a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.”.

(c) **CONFORMING AMENDMENTS.**—(1) Section 304(a) of such Act (2 U.S.C. 434(a)) is amended by striking paragraph (8).

(2) Section 309(b) of such Act (2 U.S.C. 437g(b)) is amended by striking “for the calendar quarter” and inserting “for the month”.

SEC. 303. MANDATORY ELECTRONIC FILING FOR CERTAIN REPORTS.

(a) IN GENERAL.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking the period at the end and inserting the following: “, except that the Commission shall require the reports to be filed and preserved by such means, format, or method, unless the aggregate amount of contributions or expenditures (as the case may be) reported by the committee in all reports filed with respect to the election involved (taking into account the period covered by the report) is less than \$50,000.”.

(b) PROVIDING STANDARDIZED SOFTWARE PACKAGE.—Section 304(a)(11) of such Act (2 U.S.C. 434(a)(11)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following new subparagraph:

“(C) The Commission shall make available without charge a standardized package of software to enable persons filing reports by electronic means to meet the requirements of this paragraph.”.

SEC. 304. WAIVER OF “BEST EFFORTS” EXCEPTION FOR INFORMATION ON OCCUPATION OF INDIVIDUAL CONTRIBUTORS.

Section 302(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(i)) is amended—

(1) by striking “(i) When the treasurer” and inserting “(i)(1)

Except as provided in paragraph (2), when the treasurer”; and

(2) by adding at the end the following new paragraph:

“(2) Paragraph (1) shall not apply with respect to information regarding the occupation or the name of the employer of any individual who makes a contribution or contributions aggregating more than \$200 during a calendar year (as required to be provided under subsection (c)(3)).”.

TITLE IV—EFFECTIVE DATE**SEC. 401. EFFECTIVE DATE.**

This Act and the amendments made by this Act shall apply with respect to elections occurring after January 2001.

13. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE THOMAS OF CALIFORNIA, OR A DESIGNEE, DEBATABLE FOR 40 MINUTES

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Campaign Reform and Election Integrity Act of 1999”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. References in act.

TITLE I—BAN ON FOREIGN CONTRIBUTIONS

Sec. 101. Extension of ban on foreign contributions to all campaign-related disbursements; protecting equal participation of eligible voters.

TITLE II—IMPROVING REPORTING OF INFORMATION

- Sec. 201. Mandatory electronic filing for certain reports; expediting reporting of information.
- Sec. 202. Reporting of secondary payments; expansion of other types of information reported.
- Sec. 203. Disclosure requirements for certain soft money expenditures of political parties.

**TITLE III—STRENGTHENING ENFORCEMENT AND ADMINISTRATION OF
FEDERAL ELECTION COMMISSION**

- Sec. 301. Standards for initiation of actions and written responses by Federal Election Commission.
- Sec. 302. Banning acceptance of cash contributions greater than \$100.
- Sec. 303. Deposit of certain contributions and donations to be returned to donors in Treasury account.
- Sec. 304. Alternative procedures for imposition of penalties for reporting violations.
- Sec. 305. Abolition of ex officio membership of Clerk of House of Representatives and Secretary of Senate on Commission.
- Sec. 306. Broader prohibition against force and reprisals.
- Sec. 307. Signature authority of members of Commission for subpoenas and notification of intent to seek additional information.

TITLE IV—SIMPLIFYING AND CLARIFYING FEDERAL ELECTION LAW

- Sec. 401. Application of aggregate contribution limit on calendar year basis during non-election years.
- Sec. 402. Treatment of lines of credit obtained by candidates as commercially reasonable loans.
- Sec. 403. Repeal Secretary of Commerce reports on district-specific population.
- Sec. 404. Technical correction regarding treatment of honoraria.

TITLE V—EFFECTIVE DATE

- Sec. 501. Effective date.

SEC. 2. REFERENCES IN ACT.

Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Federal Election Campaign Act of 1971.

**TITLE I—BAN ON FOREIGN
CONTRIBUTIONS**

**SEC. 101. EXTENSION OF BAN ON FOREIGN CONTRIBUTIONS TO ALL
CAMPAIGN-RELATED DISBURSEMENTS; PROTECTING
EQUAL PARTICIPATION OF ELIGIBLE VOTERS.**

(a) PROHIBITION ON DISBURSEMENTS BY FOREIGN NATIONALS.—
Section 319 (2 U.S.C. 441e) is amended—

(1) in the heading, by striking “contributions” and inserting “donations and other disbursements”;

(2) in subsection (a), by striking “contribution” each place it appears and inserting “donation or other disbursement”; and

(3) in subsection (a), by striking the semicolon and inserting the following: “, including any donation or other disbursement to a political committee of a political party and any donation or other disbursement for an independent expenditure;”.

(b) CODIFICATION OF REGULATIONS PROHIBITING USE OF FOREIGN FUNDS BY MULTICANDIDATE POLITICAL COMMITTEES; PROTECTING

EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS.—Section 319 (2 U.S.C. 441e) is amended—

(1) by redesignating subsection (b) as subsection (d); and

(2) by inserting after subsection (a) the following new subsections:

“(b) It shall be unlawful for any person organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States to make any donation or other disbursement to any candidate for political office in connection with an election for any political office, or to make any donation or other disbursement to any political committee or to any organization or account created or controlled by any United States political party, unless such donation or disbursement is derived solely from funds generated from such person’s own business activities in the United States.

“(c) Nothing in this Act may be construed to prohibit any individual eligible to vote in an election for Federal office from making contributions or expenditures in support of a candidate for such an election (including voluntary contributions or expenditures made through a separate segregated fund established by the individual’s employer or labor organization) or otherwise participating in any campaign for such an election in the same manner and to the same extent as any other individual eligible to vote in an election for such office.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to contributions, donations, and other disbursements made on or after the date of the enactment of this Act.

TITLE II—IMPROVING REPORTING OF INFORMATION

SEC. 201. MANDATORY ELECTRONIC FILING FOR CERTAIN REPORTS; EXPEDITING REPORTING OF INFORMATION.

(a) REQUIRING ELECTRONIC FILING WITHIN 24 HOURS OF CERTAIN CONTRIBUTIONS AND INDEPENDENT EXPENDITURES MADE WITHIN 90 DAYS OF ELECTION.—

(1) IN GENERAL.—Section 304(a) (2 U.S.C. 434(a)) is amended by adding at the end the following new paragraph:

“(12)(A) Notwithstanding any other provision of this Act, each political committee described in subparagraph (B)(i) that receives a contribution in an amount equal to or greater than \$200, and any person described in subparagraph (B)(ii) who makes an independent expenditure, during the period which begins on the 90th day before an election and ends at the time the polls close for such election shall, with respect to any information required to be filed with the Commission under this section with respect to such contribution or independent expenditure, file and preserve the information using electronic mail, the Internet, or such other method of instantaneous transmission as the Commission may permit, and shall file the information within 24 hours after the receipt of the contribution or the making of the independent expenditure.

“(B) For purposes of subparagraph (A)—

“(i) a political committee described in this clause is a political committee that has received an aggregate amount of contributions equal to or greater than \$50,000 with respect to the election cycle involved; and

“(ii) a person described in this clause is a person who makes an aggregate amount of independent expenditures during the election cycle involved or during any of the 2 previous 2-year general election cycles in an amount equal to or greater than \$10,000.

“(C) The Commission shall make the information filed under this paragraph available on the Internet immediately upon receipt.”.

(2) INTERNET DEFINED.—Section 301(19) (2 U.S.C. 431(19)) is amended to read as follows:

“(19) The term ‘Internet’ means the international computer network of both Federal and non-Federal interoperable packet-switched data networks.”.

(b) REQUIRING REPORTS OF CERTAIN FILERS TO BE TRANSMITTED ELECTRONICALLY; CERTIFICATION OF PRIVATE SECTOR SOFTWARE.—Section 304(a)(11)(A) (2 U.S.C. 434(a)(11)(A)) is amended by striking the period at the end and inserting the following: “, except that in the case of a report submitted by a person who reports an aggregate amount of contributions or expenditures (as the case may be) in all reports filed with respect to the election cycle involved (taking into account the period covered by the report) in an amount equal to or greater than \$50,000, the Commission shall require the report to be filed and preserved by electronic mail, the Internet, or such other method of instantaneous transmission as the Commission may permit. The Commission shall certify (on an ongoing basis) private sector computer software which may be used for filing reports by such methods.”.

(c) REQUIRING REPORTS FOR ALL CONTRIBUTIONS MADE WITHIN 20 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 24 HOURS.—Section 304(a)(6)(A) (2 U.S.C. 434(a)(6)(A)) is amended—

(1) by striking “after the 20th day, but more than 48 hours before any election” and inserting “during the period which begins on the 20th day before an election and ends at the time the polls close for such election”; and

(2) by striking “48 hours” the second place it appears and inserting the following: “24 hours (or, if earlier, by midnight of the day on which the contribution is deposited)”.

(d) REQUIRING ACTUAL RECEIPT OF CERTAIN INDEPENDENT EXPENDITURE REPORTS WITHIN 24 HOURS.—

(1) IN GENERAL.—Section 304(c)(2) (2 U.S.C. 434(c)(2)) is amended in the matter following subparagraph (C)—

(A) by striking “shall be reported” and inserting “shall be filed”; and

(B) by adding at the end the following new sentence: “Notwithstanding subsection (a)(5), the time at which the statement under this subsection is received by the Secretary, the Commission, or any other recipient to whom the notification is required to be sent shall be considered the time of filing of the statement with the recipient.”.

(2) CONFORMING AMENDMENT.—Section 304(a)(5) (2 U.S.C. 434(a)(5)) is amended by striking “or (4)(A)(ii)” and inserting “or (4)(A)(ii), or the second sentence of subsection (c)(2)”.

(e) CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.—

(1) IN GENERAL.—Section 304(b) (2 U.S.C. 434(b)) is amended—

(A) by inserting “(or election cycle, in the case of an authorized committee of a candidate for Federal office)” after “calendar year” each place it appears in paragraphs (2), (3), (4), and (7); and

(B) in paragraph (6)(A), by striking “calendar year” and inserting “election cycle”.

(2) ELECTION CYCLE DEFINED.—Section 301 (2 U.S.C. 431) is amended by adding at the end the following:

“(20) ELECTION CYCLE.—Except as the Commission may otherwise provide, the term ‘election cycle’ means, with respect to an election, the period beginning on the day after the date of the most recent general election for the office involved and ending on the date of the election.”.

(f) CLARIFICATION OF PERMISSIBLE USE OF FACSIMILE MACHINES AND ELECTRONIC MAIL TO FILE REPORTS.—Section 304(a)(11)(A) (2 U.S.C. 434(a)(11)(A)) is amended by striking “method,” and inserting the following: “method (including by facsimile device or electronic mail in the case of any report required to be filed within 24 hours after the transaction reported has occurred),”.

SEC. 202. REPORTING OF SECONDARY PAYMENTS; EXPANSION OF OTHER TYPES OF INFORMATION REPORTED.

(a) REQUIRING RECORD KEEPING AND REPORT OF SECONDARY PAYMENTS BY CAMPAIGN COMMITTEES.—

(1) REPORTING.—Section 304(b)(5)(A) (2 U.S.C. 434(b)(5)(A)) is amended by striking the semicolon at the end and inserting the following: “, and, if such person in turn makes expenditures which aggregate \$5,000 or more in an election cycle to other persons (not including employees) who provide goods or services to the candidate or the candidate’s authorized committees, the name and address of such other persons, together with the date, amount, and purpose of such expenditures;”.

(2) RECORD KEEPING.—Section 302 (2 U.S.C. 432) is amended by adding at the end the following new subsection:

“(j) A person described in section 304(b)(5)(A) who makes expenditures which aggregate \$5,000 or more in an election cycle to other persons (not including employees) who provide goods or services to a candidate or a candidate’s authorized committees shall provide to a political committee the information necessary to enable the committee to report the information described in such section.”.

(3) NO EFFECT ON OTHER REPORTS.—Nothing in the amendments made by this subsection may be construed to affect the terms of any other recordkeeping or reporting requirements applicable to candidates or political committees under title III of the Federal Election Campaign Act of 1971.

(b) INCLUDING REPORT ON CUMULATIVE CONTRIBUTIONS AND EXPENDITURES IN POST ELECTION REPORTS.—Section 304(a)(7) (2 U.S.C. 434(a)(7)) is amended—

(1) by striking “(7)” and inserting “(7)(A)”; and

(2) by adding at the end the following new subparagraph:

“(B) In the case of any report required to be filed by this subsection which is the first report required to be filed after the date of an election, the report shall include a statement of the total contributions received and expenditures made as of the date of the election.”.

(c) INCLUDING INFORMATION ON AGGREGATE CONTRIBUTIONS IN REPORT ON ITEMIZED CONTRIBUTIONS.—Section 304(b)(3) (2 U.S.C. 434(b)(3)) is amended—

(1) in subparagraph (A), by inserting after “such contribution” the following: “and the total amount of all such contributions made by such person with respect to the election involved”; and

(2) in subparagraph (B), by inserting after “such contribution” the following: “and the total amount of all such contributions made by such committee with respect to the election involved”.

SEC. 203. DISCLOSURE REQUIREMENTS FOR CERTAIN SOFT MONEY EXPENDITURES OF POLITICAL PARTIES.

(a) TRANSFERS OF FUNDS BY NATIONAL POLITICAL PARTIES.—Section 304(b)(4) (2 U.S.C. 434(b)(4)) is amended—

(1) by striking “and” at the end of subparagraph (H);

(2) by adding “and” at the end of subparagraph (I); and

(3) by adding at the end the following new subparagraph:

“(J) in the case of a political committee of a national political party, all funds transferred to any political committee of a State or local political party, without regard to whether or not the funds are otherwise treated as contributions or expenditures under this title;”.

(b) DISCLOSURE BY STATE AND LOCAL POLITICAL PARTIES OF INFORMATION REPORTED UNDER STATE LAW.—Section 304 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

“(d) If a political committee of a State or local political party is required under a State or local law, rule, or regulation to submit a report on its disbursements to an entity of the State or local government, the committee shall file a copy of the report with the Commission at the time it submits the report to such an entity.”.

TITLE III—STRENGTHENING ENFORCEMENT AND ADMINISTRATION OF FEDERAL ELECTION COMMISSION

SEC. 301. STANDARDS FOR INITIATION OF ACTIONS AND WRITTEN RESPONSES BY FEDERAL ELECTION COMMISSION.

(a) STANDARD FOR INITIATION OF ACTIONS BY FEC.—Section 309(a)(2) (2 U.S.C. 437g(a)(2)) is amended by striking “it has reason to believe” and all that follows through “of 1954,” and inserting the following: “it has a reason to seek additional information regarding a possible violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 that has occurred or is about to occur (based on the same criteria applicable under this

paragraph prior to the enactment of the Campaign Reform and Election Integrity Act of 1999),”.

(b) **REQUIRING FEC TO PROVIDE WRITTEN RESPONSES TO QUESTIONS.**—

(1) **IN GENERAL.**—Title III (2 U.S.C. 431 et seq.) is amended by inserting after section 308 the following new section:

“OTHER WRITTEN RESPONSES TO QUESTIONS

“SEC. 308A. (a) **PERMITTING RESPONSES.**—In addition to issuing advisory opinions under section 308, the Commission shall issue written responses pursuant to this section with respect to a written request concerning the application of this Act, chapter 95 or chapter 96 of the Internal Revenue Code of 1986, a rule or regulation prescribed by the Commission, or an advisory opinion issued by the Commission under section 308, with respect to a specific transaction or activity by the person, if the Commission finds the application of the Act, chapter, rule, regulation, or advisory opinion to the transaction or activity to be clear and unambiguous.

“(b) **PROCEDURE FOR RESPONSE.**—

“(1) **ANALYSIS BY STAFF.**—The staff of the Commission shall analyze each request submitted under this section. If the staff believes that the standard described in subsection (a) is met with respect to the request, the staff shall circulate a statement to that effect together with a draft response to the request to the members of the Commission.

“(2) **ISSUANCE OF RESPONSE.**—Upon the expiration of the 3-day period beginning on the date the statement and draft response is circulated (excluding weekends or holidays), the Commission shall issue the response, unless during such period any member of the Commission objects to issuing the response.

“(c) **EFFECT OF RESPONSE.**—

“(1) **SAFE HARBOR.**—Notwithstanding any other provisions of law, any person who relies upon any provision or finding of a written response issued under this section and who acts in good faith in accordance with the provisions and findings of such response shall not, as a result of any such act, be subject to any sanction provided by this Act or by chapter 95 or chapter 96 of the Internal Revenue Code of 1986.

“(2) **NO RELIANCE BY OTHER PARTIES.**—Any written response issued by the Commission under this section may only be relied upon by the person involved in the specific transaction or activity with respect to which such response is issued, and may not be applied by the Commission with respect to any other person or used by the Commission for enforcement or regulatory purposes.

“(d) **PUBLICATION OF REQUESTS AND RESPONSES.**—The Commission shall make public any request for a written response made, and the responses issued, under this section. In carrying out this subsection, the Commission may not make public the identity of any person submitting a request for a written response unless the person specifically authorizes to Commission to do so.

“(e) **COMPILATION OF INDEX.**—The Commission shall compile, publish, and regularly update a complete and detailed index of the

responses issued under this section through which responses may be found on the basis of the subjects included in the responses.”.

(2) CONFORMING AMENDMENT.—Section 307(a)(7) (2 U.S.C. 437d(a)(7)) is amended by striking “of this Act” and inserting “and other written responses under section 308A”.

(c) STANDARD FORM FOR COMPLAINTS; STRONGER DISCLAIMER LANGUAGE.—

(1) STANDARD FORM.—Section 309(a)(1) (2 U.S.C. 437g(a)(1)) is amended by inserting after “shall be notarized,” the following: “shall be in a standard form prescribed by the Commission, shall not include (but may refer to) extraneous materials,”.

(2) DISCLAIMER LANGUAGE.—Section 309(a)(1) (2 U.S.C. 437g(a)(1)) is amended—

(A) by striking “(a)(1)” and inserting “(a)(1)(A)”; and

(B) by adding at the end the following new subparagraph:

“(B) The written notice of a complaint provided by the Commission under subparagraph (A) to a person alleged to have committed a violation referred to in the complaint shall include a cover letter (in a form prescribed by the Commission) and the following statement: ‘The enclosed complaint has been filed against you with the Federal Election Commission. The Commission has not verified or given official sanction to the complaint. The Commission will make no decision to pursue the complaint for a period of at least 15 days from your receipt of this complaint. You may, if you wish, submit a written statement to the Commission explaining why the Commission should take no action against you based on this complaint. If the Commission should decide to seek additional information, you will be notified and be given further opportunity to respond.’”.

SEC. 302. BANNING ACCEPTANCE OF CASH CONTRIBUTIONS GREATER THAN \$100.

Section 315 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

“(i) No candidate or political committee may accept any contributions of currency of the United States or currency of any foreign country from any person which, in the aggregate, exceed \$100.”.

SEC. 303. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

“TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

“SEC. 323. (a) TRANSFER TO COMMISSION.—

“(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

“(A) the contribution or donation is in an amount equal to or greater than \$500 (other than a contribution or dona-

tion returned within 90 days of receipt by the committee); or

“(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 90 days of receipt by the committee).

“(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

“(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

“(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

“(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

“(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

“(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

“(i) deposit the amount in the escrow account established under subparagraph (A); and

“(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

“(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

“(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

“(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code, against the person making the contribution or donation.

“(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

“(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

“(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) to seek additional information regarding whether or not the contribution or donation was made in violation of this Act; or

“(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

“(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

“(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.”.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

“(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 323, the amount of the donation involved shall be treated as the amount of the contribution involved.”.

(c) DONATION DEFINED.—Section 323, as added by subsection (a), is amended by adding at the end the following:

“(d) DONATION DEFINED.—In this section, the term ‘donation’ means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in section 301(8)).”.

(d) DISGORGEMENT AUTHORITY.—Section 309 (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

“(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 323.”.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 323 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

SEC. 304. ALTERNATIVE PROCEDURES FOR IMPOSITION OF PENALTIES FOR REPORTING VIOLATIONS.

(a) IN GENERAL.—Section 309(a)(4) (2 U.S.C. 437g(a)(4)) is amended—

(1) in subparagraph (A)(i), by striking “clause (ii)” and inserting “clauses (ii) and subparagraph (C)”; and

(2) by adding at the end the following new subparagraph:

“(C)(i) Notwithstanding subparagraph (A), in the case of a violation of any requirement under this Act relating to the reporting of receipts or disbursements, the Commission may—

“(I) find that a person committed such a violation on the basis of information obtained pursuant to the procedures described in paragraphs (1) and (2); and

“(II) based on such finding, require the person to pay a civil money penalty in an amount determined under a schedule of penalties which is established and published by the Commission and which takes into account the amount of the violation involved, the existence of previous violations by the person, and such other factors as the Commission considers appropriate (but which in no event exceeds \$20,000).

“(ii) The Commission may not make any determination adverse to a person under clause (i) until the person has been given written notice and an opportunity to be heard before the Commission.

“(iii) Any person against whom an adverse determination is made under this subparagraph may obtain a review of such determination by filing in the United States District Court for the District of Columbia or for the district in which the person resides or transacts business (prior to the expiration of the 30-day period which begins on the date the person receives notification of the determination) a written petition requesting that the determination be modified or set aside.”.

(b) CONFORMING AMENDMENT.—Section 309(a)(6)(A) (2 U.S.C. 437g(a)(6)(A)) is amended by striking “paragraph (4)(A)” and inserting “paragraph (4)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after January 1, 2001.

SEC. 305. ABOLITION OF EX OFFICIO MEMBERSHIP OF CLERK OF HOUSE OF REPRESENTATIVES AND SECRETARY OF SENATE ON COMMISSION.

Section 306(a) (2 U.S.C. 437c(a)) is amended—

(1) in paragraph (1), by striking “the Secretary of the Senate and the Clerk” and all that follows through “right to vote, and”; and

(2) in paragraphs (3), (4), and (5), by striking “(other than the Secretary of the Senate and the Clerk of the House of Representatives)” each place it appears.

SEC. 306. BROADER PROHIBITION AGAINST FORCE AND REPRISALS.

Section 316(b)(3) (2 U.S.C. 441b(b)(3)) is amended—

(1) by redesignating subparagraphs (A) through (C) as subparagraphs (B) through (D); and

(2) by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

“(A) for such a fund to cause another person to make a contribution or expenditure by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisal;”.

SEC. 307. SIGNATURE AUTHORITY OF MEMBERS OF COMMISSION FOR SUBPOENAS AND NOTIFICATION OF INTENT TO SEEK ADDITIONAL INFORMATION.

(a) ISSUANCE OF SUBPOENAS.—Section 307(a)(3) (2 U.S.C. 437d(a)(3)) is amended by striking “signed by the chairman or the vice chairman” and inserting “signed by any member of the Commission”.

(b) NOTIFICATIONS OF INTENT TO SEEK ADDITIONAL INFORMATION.—Section 309(a)(2) (2 U.S.C. 437g(a)(2)) is amended by striking “through its chairman or vice chairman” and inserting “through any of its members”.

TITLE IV—SIMPLIFYING AND CLARIFYING FEDERAL ELECTION LAW

SEC. 401. APPLICATION OF AGGREGATE CONTRIBUTION LIMIT ON CALENDAR YEAR BASIS DURING NON-ELECTION YEARS.

Section 315(a)(3) (2 U.S.C. 441a(a)(3)) is amended by striking the second sentence.

SEC. 402. TREATMENT OF LINES OF CREDIT OBTAINED BY CANDIDATES AS COMMERCIALY REASONABLE LOANS.

Section 301(8)(B) (2 U.S.C. 431(8)(B)) is amended—

- (1) by striking “and” at the end of clause (xiii);
- (2) by striking the period at the end of clause (xiv) and inserting “; and”; and
- (3) by adding at the end the following new clause:
“(xv) any loan of money derived from an advance on a candidate’s brokerage account, credit card, home equity line of credit, or other line of credit available to the candidate, if such loan is made in accordance with applicable law and under commercially reasonable terms and if the person making such loan makes loans in the normal course of the person’s business.”.

SEC. 403. REPEAL SECRETARY OF COMMERCE REPORTS ON DISTRICT-SPECIFIC POPULATION.

(a) REPEAL REPORT BY SECRETARY OF COMMERCE ON DISTRICT-SPECIFIC VOTING AGE POPULATION.—Section 315(e) (2 U.S.C. 441a(e)) is amended by striking “States, of each State, and of each congressional district” and inserting “States and of each State”.

(b) DEADLINE FOR REPORTING OF CERTAIN ANNUAL ESTIMATES TO COMMISSION.—

(1) PRICE INDEX.—Section 315(c)(1) (2 U.S.C. 441a(c)(1)) is amended—

- (A) by striking “At the beginning” and inserting “Not later than February 15”; and
- (B) by striking “as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor,”.

(2) VOTING AGE POPULATION.—Section 315(e) (2 U.S.C. 441a(e)) is amended by striking “During the first week of January 1975, and every subsequent year,” and inserting “Not later than February 15 of 1975 and each subsequent year,”.

SEC. 404. TECHNICAL CORRECTION REGARDING TREATMENT OF HONORARIA.

Section 301(8)(B) (2 U.S.C. 431(8)(B)), as amended by section 402, is further amended—

- (1) by adding “and” at the end of clause (xiii);
- (2) by striking clause (xiv); and
- (3) by redesignating clause (xv) as clause (xiv).

TITLE V—EFFECTIVE DATE

SEC. 501. EFFECTIVE DATE.

Except as otherwise specifically provided, this Act and the amendments made by this Act shall apply with respect to elections occurring after January 2001.

